

**Carson International**

**Private Claim No.  
99-2037-IN-ADCAR2**

**NON-JUDICIAL  
PRIVATE INTERNATIONAL ADMINISTRATIVE REMEDY DEMAND**

**NOTICE OF TIMELY LAWFUL PROTEST And REFUSAL FOR CAUSE WITHOUT DISHONOR  
NOTICE OF INTENT TO RESERVE THE RIGHT TO CLAIM BOND AND/OR SURETY  
with  
AFFIDAVIT IN VERIFICATION**

**RE:  
EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF  
AGENCY ACTION**

**Carson International, Claimant,  
[7406 27th Street West #17  
The City of The City of Tacoma  
The State of The State of Washington  
The several united States of America]**

**Against,**

**THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH. S.  
Anthony Taggart, Director, Division of Securities Utah Department of Commerce and Don Hansen, Assistant  
Attorney General Respondents.**

**TO:  
THE DIVISION OF SECURITIES OF  
THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH  
at: Utah Department of Commerce; 160  
East 300 South; P.O. Box 146760; Salt  
Lake City; Utah 84145-0808**

**S. Anthony Taggart, Director, Division of  
Securities Utah Department of Commerce  
at: Utah Department of Commerce; 160  
East 300 South; P.O. Box 146760; Salt  
Lake City; Utah 84145-0808  
and,  
Don Hansen, Assistant Attorney General  
Utah Department of Commerce; 160 East  
300 South; P.O. Box 146760; Salt Lake  
City; Utah 84145-0808**

**AFFIDAVIT OF VERIFICATION  
OF  
Kenneth Wayne, Special Executive Trustee  
for  
Carson International**

county of Pierce

The State of The State of Washington

The several united States of America

} SS.,

I, Kenneth Wayne, Special Executive Trustee, for Carson International, herein, being first duly sworn according to law, having first hand knowledge of the facts stated herein, of sound mind, claims that the facts stated herein are true, correct, in all material fact, to the best of my knowledge understanding and belief, except as to matters which are therein stated on information and/or belief, those matters are believed to be true correct and made under the penalties of perjury pursuant to the Laws of the People on the Land of The several united States of America and The State of Washington.

Done this the 17<sup>th</sup> day of the 3<sup>rd</sup> month of 2000.

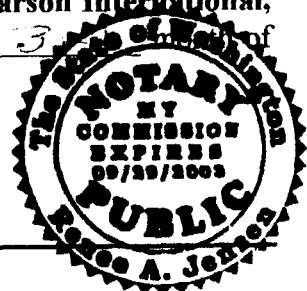
*Kenneth Wayne*  
Kenneth Wayne

**NOTARY STATEMENT**

Then appeared before me Kenneth Wayne, Special Executive Trustee for Carson International, who did affirm and subscribe hereto on this the 17<sup>th</sup> day of the 3<sup>rd</sup> month of 2000, that the forgoing document as a free act and deed.

*James A. Jensen*  
NOTARY PUBLIC

Commission Expires 9/29/03



Comes now, Carson International, a private non-statutory business trust organization, by and through Kenneth Wayne, Special Executive Trustee herein after known as Claimant. Claimants domicile includes but is not limited to the State of Washington a republic.

The Claimant submits this timely "NON-JUDICIAL, PRIVATE INTERNATIONAL ADMINISTRATIVE REMEDY DEMAND; NOTICE OF TIMELY LAWFUL PROTEST And REFUSAL FOR CAUSE WITHOUT DISHONOR; NOTICE OF INTENT TO

PRIVATE INTERNATIONAL  
ADMINISTRATIVE REMEDY DEMAND

**RESERVE THE RIGHT TO CLAIM BOND AND/OR SURETY with AFFIDAVIT IN VERIFICATION" RE: EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION and states that:**

The Claimant is reserving the right to initiate a Claim for damages in a court of competent jurisdiction in regard to any tort injury suffered by the Claimant as a proximate result of actions of the Respondent(s), by first exhausting administrative remedy.

**NOTICE**

**To the Respondent(s)**

It is the intent of the Claimant, in good faith, through this Non-Judicial International Administrative Demand Protest, to determine what material facts if any, between the Claimant and the Respondent, are in controversy, before seeking any judicial remedy and relief.

The Respondents' participation in this Administrative process either by active response to the Claimant's INQUIRIES and/or STATEMENT OF MATERIAL FACTS or by passive assent to the Claimant's INQUIRIES and/or STATEMENT OF MATERIAL FACTS will determine what material facts, if any, are in controversy, requiring judicial remedy and relief.

Each Respondent is required to respond to this Private International Administrative Remedy Demand, Timely Notice of Protest.

**Failure to respond to each and every INQUIRY and STATEMENT OF MATERIAL FACT, on a point by point basis, will be an admission to all INQUIRIES and STATEMENTS OF MATERIAL FACTS.**

Claimant notices the Respondents that the law requires that Administrative Remedy for relief must be exhausted prior to initiating judicial action for remedy and relief, therefore, any proceedings on the Respondents' Action which are taken by the Respondents without the Respondents first responding to this timely Demand, will be deemed prima facie evidence of bad faith on the part of the Respondents, Respondents' agents, assigns, principals, and counsel, and that the Respondents are attempting to prevent the Claimant from exhausting the Claimant's administrative remedy.

A non-responsive answer to any INQUIRY and/or STATEMENT OF MATERIAL FACT set forth herein will be deemed a non-responsive answer to all INQUIRIES and/or STATEMENTS OF MATERIAL FACT. All INQUIRIES and/or STATEMENTS OF MATERIAL FACT must be answered, refuted and or rebutted under penalty of perjury under the laws of The several united States of America, as true, and correct. Failure to certify the answers thereto in this manner will be deemed as a non-response to all the questions.

Claimant Notices Respondents that the Claimant is providing the Respondents CERTIFIED COPY of the original of the Claimant's,

**NON-JUDICIAL; PRIVATE INTERNATIONAL ADMINISTRATIVE REMEDY  
DEMAND NOTICE OF TIMELY LAWFUL PROTEST And REFUSAL FOR CAUSE  
WITHOUT DISHONOR WITH AFFIDAVIT IN VERIFICATION**

**RE: EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO  
SHOW CAUSE; NOTICE OF AGENCY ACTION**

**1. DEFINITIONS OF TERMS USED IN THIS PROTEST**

The following definitions apply herein.

1. The word "**Claimant**" means **Carson International**, Claimant's counsel, agents, assigns, successors, and predecessors in the action.
2. The word "**Respondent/Defendant(s)**" means **THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH et al.**, Defendant's counsel, agents, assigns, successors, and predecessors in this action.
3. The word "**de facto**" means "This phrase is used to characterize an officer, a government, a past action or a state of affairs which must be accepted for all practical purposes, but is illegal or illegitimate. ... Thus, an officer, king, or government *de facto* is one who is in actual possession of the office or supreme power, but by usurpation or without lawful title; ... but has never had plenary possession of it, or is not in actual possession
4. The word "**Judge de facto or de facto judge**" means One who holds and exercises the office of a judge under color of lawful authority, and by a title valid on its face, though he has not full right to the office, as where he was appointed under an unconstitutional statute, or by an usurper of the appointing power or has not taken the oath of office.
5. The term "**Nature and Cause**", taken from the 6th amendment of the Constitution of the United States AD 1791 means the right to know the venue, jurisdiction, parties of interest, right of action, cause of action upon which the action is based and under what substantive system of law the Respondent and tribunal are operating under.
6. The term "**Liberty**" means Freedom, exemption from extraneous control, the power of the will to follow the dictates of its unrestricted choice, and to direct the external acts of the individual (citizen) without retrain, coercion, or control from other parties. The term "Liberty" includes and comprehends all personal rights and their enjoyment. The term "Liberty" includes but is not limited to, freedom/right from duress, freedom/right from governmental interference in exercise of intellect, in information of opinions, in the expression of them, and in action or inaction dictated by judgment, the freedom/right from servitude, freedom/right from imprisonment or restraint without lawful Constitutional due process of law, the freedom/right in the use of all of one's powers, faculties and property, freedom of contract, the freedom/right of travel, the freedom/right of religion, the freedom/right of speech, the freedom/right of self defense against unlawful violence, the freedom/right to acquire and enjoy property, the freedom/right to acquire knowledge, the freedom/right to carry on business, the freedom/right to earn a livelihood in any lawful calling, the freedom/right to enjoy to the fullest extent the privileges and immunities given or assured by law to the people living within the union of

The several united States of America , the freedom/right to demand the nature and cause of any allegation made against a citizen, etc...

7. The term of **"The State/Republic"** means those people dwelling in any organic State/Republic (without the legislative jurisdiction of the **MUNICIPAL CORPORATION OF THE STATE**) who possess unalienable rights from nature's law and Nature's God, which rights are not subject to involuntary liens or diminished by any legal impediment (such as the bankruptcy of the municipal corporation of the United States.).
8. The term **"ORIGINAL JURISDICTION"** means the Original Jurisdiction of the Republic of The several united States of America AD 1791, established by the death of the Christ in AD 33, endowing all mankind with inherent liberty under the Law, The Declaration of Independence of The several united States of America AD 1776, Articles of Confederation, AD 1781, The Treaty of Paris, AD 1783, The Northwest Ordinance, AD 1787, The Constitution of The several united States of America as amended, AD 1791.
9. The term **"The several united States of America "** means the union of independent republics organized and operation under the original Jurisdiction of the Republic of The several united States of America AD 1791, established by the death of the Christ in AD 33, endowing all mankind with inherent liberty under the Law, The Declaration of Independence of The several united States of America. AD 1776, Articles of Confederation, AD 1781, The Treaty of Paris, AD 1783, The Northwest Ordinance, AD 1787, The Constitution of The several united States of America as amended, AD 1791.
10. The term **"UNITED STATES or U.S."** means the municipal corporation of the District of Columbia established by the action of the Forty First Congress SESS III ch 61 and 62 AD 1871, and all political subdivisions established under the authority of the municipal corporation of the District of Columbia.
11. The term **"Constitution of The several united States of America as amended AD 1791"** means the organic instrument of the original jurisdiction of the People on the Land of The several united States of America as amended, adopted by the People AD 1791.
12. The term **" UNITED STATES CONSTITUTION"** means the bylaws of the municipal corporation of the District of Columbia and all political subdivisions established under the authority of the municipal corporation of the District of Columbia, adopted under the authority of the action of the Forty First Congress SESS III ch 61 and 62 AD 1871 commonly referred to as the Federal Constitution.
13. The term **"prejudice"** means Claimant's loss of rights, privileges, and immunities.
14. The term **"infamous crime"** means . a crime punishable by death in a state or UNITED STATES penitentiary or imprisonment in a state or UNITED STATES correctional facility.
15. The term **"USC"** = copyrighted UNITED STATES CODE
16. The term **"USCA"** = copyrighted UNITED STATES CODE ANNOTATED
17. The term **"Pub. L"** = PUBLIC LAW OF THE SEVERAL UNITED STATES OF AMERICA
18. The term **"CODE"** = A code implies compilation of existing laws, systematic arrangement chapters, sub - heads, table of contents, and index, and revision to harmonize conflicts, supply omissions, and generally clarify and make complete body of laws designed to regulate, completely, subjects to which they relate.

19. The term **"CODIFICATION"** = process of collecting and arranging the laws of a country or state into a code. i.e. , into a complete system of positive law, scientifically ordered, and promulgated by legislative authority.
20. The term **"STATUTE"** = An act of the legislature declaring, commanding, or prohibiting something: a particular law enacted and established by the will a the legislative department of government; the written will of the legislature, solemnly expressed according to the forms necessary to constitute it the law of the state. This word is used to designate the written law in contradistinction to the unwritten law.
21. The term **"STATUTES AT LARGE"** = Statutes printed in full added in the order of their enactment. in a collected form, as distinguished from any digest, revision, abridgment, or compilation of them. Thus the volumes of "United States Statutes at Large," or the "Washington Statutes at Large" contain all the act of the Congress of The several united States of America or the Congress of The State of Washington in their order.
22. The term **"INCLUDE"** = To confine within, hold as in an enclosure, take in, attain, shut up, contain, enclose. comprise, comprehend, embrace, involve.
23. The term **"FRAUD"** = An intentional perversion of truth for the purpose of inducing another in reliance upon it to part with some valuable thing belonging to him or to surrender a legal right.
24. The term **"INHABITANT"** = One of the natural born, sovereign people, possessing and entitled to the enjoyment of all the rights, privileges and immunities enumerated or un-enumerated in The Constitution of The several united States of America as amended in AD 1791, which can be enjoyed by anyone of the sovereign people, protected by the Constitution and Laws of The several united States of America AD 1791. The term "Inhabitant" does not include the term s "Person, Entity, Whoever, State Citizen, State Resident or Individual".
25. The term **"PERSON"** = includes, an individual entity and state citizen. The term "Person" does not include the term "Inhabitant".
26. The term **"ENTITY"** = includes, a corporation and foreign corporation, profit and not-for -profit unincorporated associations, business trust, estate, trust, partnership, and two or more persons having a joint or common interest, and the state, United States, and a foreign government. The term "entity" does not include the term "Inhabitant".
27. The term **"WHOEVER"** = includes all persons, natural and artificial; partners, agents, and employees: and all officials, public or private. The term "Whoever" does not include the term "Inhabitant".
28. The term **"STATE CITIZEN"** = includes, a corporation or any other artificial entity created under the laws of one state and a non resident of every other state. A corporation shall be deemed a citizen of any State by which it has been incorporated and of the State where it has its principal place of business... The term "State Citizen" does not include the term "Inhabitant".
29. The term **"STATE RESIDENT"** = includes, any state citizen. The term "State Resident" does not include the term "Inhabitant".
30. The term **"INDIVIDUAL"** = As a noun, this term denotes a single person as distinguished from a group or class, and also, very commonly, a private or natural person as distinguished from a partnership, corporation, or association; but, it is said that this restrictive signification is not necessarily inherent in the word, and that it may, in proper cases, include artificial persons. The term "Individual" does not include the term "Inhabitant".

31. The term **"NATURAL PERSON"** = A person is such, not because he is human, but because rights and duties are ascribed to him. The person is the legal subject or substance of which legal rights and duties are attributes. An individual human being considered as having such attributes is what lawyers call a natural person. All public officials who are under oath or affirmation to uphold the Constitution and Law of The several united States of America are natural persons. The term "Natural Person" does not include the term "Inhabitant".
32. The term **"SHALL"** = command, imperative, mandatory, denoting a duty and obligation to act or not to act.
33. The term **"AGENCY"** = The relation created by express or implied contract or by law, whereby one party delegates the transaction of some lawful business with more or less discretionary power to another, who undertakes to manage the affairs and render an account to the party that delegated the authority.
34. The term **"STATE AGENCY"** = all units of state government established under the constitutional or legislative authority of the state, including any branch, department, or unit of the state government, organization, corporation, partnership or association, however designated or constituted.
35. The term **"PUBLIC OFFICER"** = An officer of a public corporation; that is, one holding office under government of a municipality, state, or nation. One occupying an office created by law. One who exercise some portion of the sovereign power of the state, either in making, administering or executing the laws. One who acts under a sworn oath or affirmation and or bond. The term includes but is not limited to attorney-at-law.
36. The term **"SIGNATURE"** = includes any symbol executed or adopted by a party with present intention to authenticating the validity of a writing.
37. **"Bonafied signature"** = In contracts, any symbol executed or adopted by a party attesting that party voluntarily entered into the agreement in good faith, that all terms conditions and obligations were fully disclosed, and that the party fully understood the consequences of the instrument.
38. The term **"court"** in international law, court shall mean "The person and suite of the sovereign; place where the sovereign sojourns with his regal retinue, wherever that may be. The term court shall also include the Claimant.
39. The term **"CONFLICT OF LAW"** = When citizens of different states, republics or jurisdictions are parties to suite or other legal proceeding. A contrary or opposition in laws of states, countries or jurisdictions in cases where the rights of the parties, from their relations to each other or to the subject-matter in dispute, are liable to be affected by the laws of both jurisdictions. The effect of the laws of every state or republic effect and bind directly all property, real or personal, situated within its jurisdictional territory, all persons resident within its own limits of jurisdiction, and are supreme within its own limits by virtue of its sovereignty. Ambassadors and other public ministers while within the jurisdiction of a foreign power are not subject to the jurisdiction of said laws.
40. The term **"FOREIGN STATE"** is that except as used in Pub. L. 94-583, § 4(a), Oct. 21, 1976, 90 Sta. 2894, [codified in Title 28 U.S.C. § 1608] , includes a political subdivision of a foreign state or an agency or instrumentality of a foreign state as defined ....which is a separate legal person, corporate or otherwise and which is an organ of a foreign state or political subdivision thereof,... and which is not a citizen of and State of the United States as defined in PL June 25, 1948, ch. 642, 62 Stat. 930, [codified in Title 28 U.S.C. §1332(c)(1)(2)] nor created under the laws of any third country.

### **HISTORY OF EVENTS WHICH LED TO THIS PROTEST**

On or about march 10, 2000, the Claimant received a copy of an presentment entitled EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION.

The Respondent(s) presentment did not appear to be issued under the authority nor in the name of the body politic of the organic republic of The State of Utah as required by the constitution of said body politic.

The Respondent(s) presentment did not appear to disclose the nature and cause of the presentment nor how the claimant or the counsel, officers, agents or independent contractors of the Claimant are in any way amenable to the commercial process of the Respondent(s).

The Respondent(s) presentment did not appear to disclose the character and nature of the Respondent THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH.

The Respondent(s) presentment did not appear disclose the specific activity referred which the Respondent's presentment claims is a significant danger to the public welfare.

The Respondent(s) presentment did not appear to disclose certified copies of any instrument purported to be an investment contract wherein the Claimant is a party involving trading for profit "currency, commodities, income producing real estate, forfeiting, and precious metals" promising any type of return.

The Respondent(s) presentment did not appear to disclose the identities of certain unknown parties the Respondent(s) presentment claims invested money with the Claimant.

The Respondent(s) presentment does not appear to disclose the substantive system of law under which the Respondent(s) presentment is operating.

The Respondent(s) presentment does not appear to disclose what authority in law the Respondent(s) may impair or restrain the right of equal protection of law to make and enforce private contract.

The Respondent(s) presentment does not appear to disclose what authority in law the Respondent(s) are excused from liability for restraining the Claimant(s) liberty to make and enforce contact under color of law.



The Respondent(s) presentment does not appear to disclose what authority in law the Respondent(s) are excused from liability from the Respondent(s) impairment of the Claimant, the Claimants officers, agents or independent contractors obligation of contract.

The Respondent(s) presentment does not appear to disclose the meaning of the term "selling securities".

#### **INQUIRIES INTO THE NATURE AND CAUSE OF THE RESPONDENT'S ACTION**

1. Did the Respondent initiate the EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION? *Answer if not rebutted:* YES.
2. Is the party referred to as **CARSON INTERNATIONAL** intended to refer to the Claimant? *Answer if not rebutted:* YES.
3. Is the party referred to as **PAUL STEWART** intended to refer to an agent of the Claimant? *Answer if not rebutted:* YES.
4. Is the Claimant a intended to be a real party in interest in the Respondent's action? *Answer if not rebutted:* YES.
5. Is the Respondent THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH a political subdivision of a private municipal corporation? *Answer if not rebutted:* YES.
6. Is the STATE OF UTAH a corporate franchise and political subdivision of the municipal corporation of the District of Columbia aka UNITED STATES? *Answer if not rebutted:* YES.
7. Is STATE OF UTAH the body politic of the organic republic of The State of Utah? *Answer if not rebutted:* NO.
8. Is the Respondent(s) presentment brought under the authority and name of the body politic of the organic republic of The State of Utah? *Answer if not rebutted:* NO.
9. Does the Respondent(s) presentment clearly disclose the nature and character of STATE UTAH and the instrumentality known as THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH? *Answer if not rebutted:* NO.
10. Does the Respondent(s) presentment clearly disclose the substantive law under which the Respondent(s) presentment is brought? *Answer if not rebutted:* NO.
11. Is the name of the party who presented the document S. Anthony Taggart, Director, Division of Securities Utah Department of Commerce?. *Answer if not rebutted:* YES.
12. Does S. Anthony Taggart, Director, Division of Securities Utah Department of Commerce claim represent the Respondent? *Answer if not rebutted:* YES.
13. Did Respondent THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH issue a limited Power of Attorney authorizing S. Anthony Taggart, Director, Division of

Securities Utah Department of Commerce to represent THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH.

14. Does S. Anthony Taggart, Director, Division of Securities Utah Department of Commerce hold an official position under the authority of the Respondent THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH? *Answer if not rebutted:* YES.
15. Is it the intent of the Respondent by and through the Respondent's officers and agents to impair the obligation of contracts by and between the Claimant and other parties? *Answer if not rebutted:* YES.
16. Is it the intent of the Respondent, by and through the Respondent's officers and agents to deprive the Claimant of property or rights to property or to impair the contracts by and between the Claimant and other parties without due process of law? *Answer if not rebutted:* YES.
17. Does the corporate charter or franchise of the Respondent authorize the Respondent to deprive the Claimant or any other party of property, rights to property, to impair the Claimants contract obligations without due process of law? *Answer if not rebutted:* NO.
18. Is the Claimant entitled to petition the Attorney General to initiate a Quo Warranto to test the authority of the Respondent to deprive the Claimant of property, the rights to property or impair the Claimants contract obligations without due process of law? *Answer if not rebutted:* YES.
19. Does the Respondent(s) presentment provide any evidence that the Claimant, the Claimant's officers, agents, or independent contractors are in any way amenable to the Respondent(s) Commercial procedures? *Answer if not rebutted:* NO.
20. Does the Respondent(s) presentment show any evidence that there is a express written contract by and between the Claimant and the Respondent(s), wherein the Claimant agreed that the Claimant and the Claimant's Officers, agents and independent contractors, waived the unlimited right of contract, equal protection of the law and would be amenable to the Respondent(s) commercial process? *Answer if not rebutted:* NO.
21. Does the Respondent's document set forth a controversy? *Answer if not rebutted:* NO.
22. Does the Respondent's action set forth the claim that Claimant herein has a signature on any instruments upon which Claimant has any legal or equitable duty with respect to the Respondent? *Answer if not rebutted:* NO.
23. Who is the damaged party in the action? *Answer if not rebutted:* There is no damaged or injured party.
24. What substance does the damaged party have at risk? *Answer if not rebutted:* There is no damaged or injured party.
25. Does the Respondent's document disclose the Respondent's right of action and cause of action? *Answer if not rebutted:* NO.
26. Is the Claimant entitled to compensation for tort damages for injury caused by the Respondent(s) against the Claimant in the amount of \$30,000,000.00? *Answer if not rebutted:* YES.

## **STATEMENT OF MATERIAL FACTS**

The Claimant claims that the material facts in support the Claimant's Claims of Protest are that:

1. The Claimant has the right to be informed of the nature and cause of the Respondents' action and the Respondents' restraint of the Claimant's rights.
2. The Claimant's procedures for the Claimant's,

**“NON-JUDICIAL PRIVATE INTERNATIONAL ADMINISTRATIVE REMEDY  
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is correct and complete.

4. The Claimant is a non-statutory business trust organization, established at common law by contract which has been made a matter of public record in the several United States of America.
5. The Claimants domicile includes but is not limited to The State/Republic of Washington.
6. The Municipal Corporation of The District of Columbia a/k/a UNITED STATES was established in 1871 by the action of the 43<sup>rd</sup> Congress 3<sup>rd</sup> session, chapter 61 and 62 as a private corporation.
7. The Municipal Corporation of The District of Columbia a/k/a UNITED STATES adopted the text of The Constitution of The several United States of America as Amended through article in amendment 14 as well as the public laws and treaties as copyrighted by-laws of said private corporation.
8. The Municipal Corporation of The District of Columbia a/k/a UNITED STATES is foreign to The several United States of America and to the Claimant.
9. The Claimant is not a citizen or statutory resident (corporation) of any State including but not limited to the Municipal Corporation of Utah or of the Municipal Corporation of the District of Columbia a/k/a/ United States, or of any corporate franchise of the Municipal Corporation of the District of Columbia a/k/a/ United States as defined in PL June 25, 1948, ch. 642, 62 Stat. 930, [codified in Title 28 U.S.C. § 1332(c)(1)(2)].
10. The Claimant does not receive any benefits, privileges, franchises, or rights, from the original jurisdiction of The several United States of America, the United States Corporation 1871, the

Republic of Washington, the municipal corporation of Washington State, Utah State, The State/Republic of Utah or Great Britain.

11. The Claimant has only obligations to bilateral written contracts to which Claimant voluntarily , with full disclosure, knowledge, and understanding of the terms, conditions, and obligations thereof would become a party as would be evidenced by an agent of the Claimant's bonafied signature being affixed to said contracts.
12. The Claimant is a Foreign State as defined in Public Law 94-583, § 4(a), Oct. 21, 1976, 90 Stat. 2892, [codified in Title 28 U.S.C. §1603], to the Municipal Corporation of the District of Columbia a/k/a/ United States, the Municipal Corporation of STATE OF UTAH and the Respondent.
13. The Claimant is not amenable to the commercial process of the Respondent or the courts of the Municipal Corporation of the District of Columbia a/k/a United States and the States including but not limited to the municipal Corporation of any STATE including but not limited to Utah State, as protected under Pub L. 94-583, §4(a), Oct. 21, 1976, 90 Stat. 2892, [codified in Title 28 U.S.C. §1604].
14. The law requires that Administrative Remedy for relief must be exhausted prior to initiating judicial remedy for relief.
15. The Claimant has the right and standing in law to initiate an action at law or equity in the united States District Court and/or the supreme court of The several united States of America, to address any controversy not resolved through administrative remedy.
16. The Judicial Officers of the united states courts, have an oath of office contract, secured by an Official Bond or surety to take jurisdiction over such controversies initiated by the Claimant.
17. The Respondents' document EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION, does not disclose the nature and cause of the Respondents' action, nor does the action of the Respondent state a registered claim upon which relief can be granted.
18. The Respondents' document EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION, does not disclose what venue the Respondents' action is operating in; that the Respondents' action did not disclose whether the Respondents,' action is for the private interest of the Respondent or another party.

19. The Respondents' document EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION, does not disclose that the Respondents' document is commercial in nature.
20. The Claimant has not been appraised of any allegations or the nature and cause of any action against the Claimant as required under the provisions of Amendment 6 of the Constitution of United States of America as amended AD 1791.
21. The Claimant is entitled to make a claim against the Official Bond of each Party of the Respondents in the amount of \$<sup>36,000.00</sup>, plus \$ 1000.00 per day per each party of the Respondents for the continuing restraint of the Claimant's Liberty.

### **CONCLUSION**

1. If it is determined that the Respondents lack lawful authority to deprive the Claimant of property, the right to property and impair the Claimants obligation of contract by the Respondent's public presentation EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION, by use of unsubstantiated misrepresentation to the public without benefit of lawful constitutional due process of law, the Respondents would be liable in both the Respondent's private and official capacities for knowing, willful intentional criminal restraint of the Claimants rights and injury to the Claimants economic standing in the community.

### **ACTION REQUIRED**

Respondents THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH, S. Anthony Taggart, Director, Division of Securities Utah Department of Commerce, and Don Hansen, Assistant Attorney General named herein, have (10) <sup>10</sup> ~~ten~~ days (the 72 hour period, Reg. Z, Expeditious Transaction, 12 CFR 229.1 et seq) to respond on a point by point basis to the merits of this refusal with the required instruments under oath. Failure to do so will become prima facie evidence [in the nature of F.R.C.P 8(d)] that all parties stipulate all answers to the Claimant's inquiry and to the facts claimed herein by the Claimant as true, and correct.

Failure to respond to this **Notice of Protest** within three <sup>3</sup> ~~10~~ days will be deemed acceptance of the stipulated facts set forth herein as the Respondents' tacit procuration and Default. These facts will become the ultimate facts upon which the Claimant has the Consent of the Respondents to seek remedy and relief for tort damages.

Default will be deemed as an exhaustion of Claimant's administrative procedures and remedies to the Respondents' publication of EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE; NOTICE OF AGENCY ACTION.

The Default will enable the Claimant to seek JUDICIAL remedy for the Respondents' tort damage of the Claimant.

The Principal of "Notice to the agent is notice to the principal" applies to this "Notice of Protest". This "Notice of Protest" also applies to any successors, and/or assigns in the Respondents' action, including but not limited to any magistrate or judge that may attempt to proceed without due process of law and equal protection of the law.

Respondents will respond to the Claimant in writing to the locations provided as follows:


Carson International  
[7406 27th Street West #17  
The City of The City of Tacoma  
The State of The State of Washington  
The several united States of America ]  
Near [98466].

Any correspondence not so addressed will be refused for cause.

The Claimant has nothing further to state at this time.

Submitted this 17<sup>th</sup> day of the 3rd, <sup>2000 AD</sup> ~~1999~~ *PH*

Carson International, Claimant

  
by: Kenneth Wayne, Special Executive Trustee

**EXHIBIT**

Division of Securities  
Utah Department of Commerce  
160 East 300 South  
P.O. Box 146760  
Salt Lake City, Utah 84145-0808  
Telephone: 801 530-6600  
Facsimile: 801 530-6980

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**BEFORE THE DIVISION OF SECURITIES  
OF THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH**

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**IN THE MATTER OF**

Carson International, and;

Paul Stewart,

**Respondents.**

**EMERGENCY ORDER TO CEASE  
AND DESIST and ORDER TO  
SHOW CAUSE**

Docket no. SD-00-0010

Docket no. SD-00-0011

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This matter comes before the Director of the Utah Division of Securities ("the Division") on allegations of Division staff that Carson International and Paul Stewart, (collectively, "Respondents") have engaged in acts and practices which violate the Utah Uniform Securities Act, Utah Code Ann. § 61-1-1, et seq. ("the Act"). Having been advised of relevant facts discovered in the course of the Division staff's investigation of this matter, the Director finds and concludes that Respondents' conduct presents an immediate and significant danger to the public welfare, and that the threat requires immediate action by the Division. The Director issues this Emergency Order in accordance with the provisions of Utah Code Ann. §63-46b-20. The Director further issues this Order to Show Cause in accordance with the provisions of Utah Code Ann. § 61-1-20 (1).



## **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

In support of this Emergency Order and Order to Show Cause, the Division's staff has received evidence establishing the following facts:

1. Carson International ("Carson") is not registered with the Division of Corporations in any capacity. Documents obtained by the Division indicate that Carson holds itself out as an Unincorporated Business Organization a.k.a. a common law business trust.
2. Paul Stewart ("Stewart") claims to be the authorized agent of Carson.
3. Stewart is engaged in selling various investment contracts wherein Carson claims to trade for profit in currency, commodities, income producing real estate, forfeiting, and precious metals.
4. During the events described herein, Stewart acted under the name of Carson International soliciting investors to enter into certain investment contracts which promised returns up to 60% per annum.
5. Stewart also organized his efforts assisting individuals in purchasing real estate at inflated prices and using 30% of the purchase money provided by federally insured financial institutions to pay off those investors who had entered into investment contracts with Carson.
6. Through obtaining Carson's financial records the Division estimates that approximately 45 individuals have invested money with Carson.
7. The financial records from Carson indicate that approximately \$250,000 per month is being received from and paid out to investors who are located predominantly within the State of Utah.

8. After reviewing Carson's financial records and certain investment contracts provided by current investors, the Division has determined that Stewart is engaged in the offer and sale of a security as defined in Utah Code Ann. §61-1-13 (24)(a).

### **REGISTRATION VIOLATIONS**

9. UCA § 61-1-7 provides, in pertinent part, that:

**It is unlawful for any person to offer or sell any security in this state unless it is registered under this chapter, [or] the security or transaction is exempted under Section 61-1-14 or the security is a federal covered security.**

10. The Division has contacted several of the investors who confirmed that they invested money with Stewart which is then pooled together with money from other investors, and these investors have the expectation of profit which will be substantially derived from the efforts of others.
11. By offering and ultimately selling investment contracts within the State of Utah, Stewart is offering and selling securities within the meaning of Utah law, and is therefore subject to state securities registration requirements.
12. The investment contracts offered and sold by Stewart are not registered and do not appear to qualify for any exemption from registration.
13. Respondents are therefore in violation of UCA § 61-1-7.

### **LICENSING VIOLATIONS**

14. Utah Code Ann. §61-1-3, provides, in pertinent part, that:

**(1) It is unlawful for any person to transact business in this state as a broker-dealer or agent unless the person is licensed under this chapter.**

**(2)(a) It is unlawful for any broker-dealer or issuer to employ or engage an agent unless the agent is licensed. . . .**

15. After reviewing the applicable records contained within the Division of Securities, it does not appear that Stewart is licensed as a broker-dealer or agent.
16. Stewart is therefore in violation of Utah Code Ann. §61-1-3(1) and/or 61-1-3(2)(a).
17. The Division is informed and believes, based on the history and scope of the securities offering described above, that Stewart will continue to offer and or sell unregistered securities in this state as an unlicensed broker-dealer or agent.
18. The Director finds and concludes that Respondent's solicitation of Utah residents poses an immediate and significant danger to the public welfare because the securities offered have not been registered with the Division, and are being marketed by unlicensed entities. Proper registration of securities is an essential safeguard serving to protect the public from securities fraud. Utah residents offered securities by Respondent are not being provided with the detailed investment information required by the Act. In addition, the unlicensed individual marketing the securities at issue in this case has unlawfully failed to subject himself to the regulatory scrutiny of the Division. Licensing of securities sales professionals is required by the Act, and is essential to ensure that broker-dealers and their agents have demonstrated that they possess the training and knowledge necessary to transact business in securities.

**ANTIFRAUD VIOLATIONS**

19. UCA § 61-1-1 provides, in pertinent part, that:

**It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to:**

...

**(2) make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading . . . .**

20. The fact that Respondent is selling securities and fails to inform the investors that the securities are neither registered with the state of Utah nor exempt from registration requirements is a material fact within the meaning of UCA § 61-1-1.
21. The fact that Respondent is not licensed as a broker-dealer or agent is a material fact within the meaning of UCA § 61-1-1.
22. Respondents omitted these material facts in connection with the offer and sale of the investment contracts to investors interviewed by the Division.
23. The omission of these material facts made the various affirmative statements, and particularly the discussion of investment risk, misleading, in light of the circumstances under which the statements were made.
24. Respondents are therefore in violation of UCA § 61-1-1.

### **EMERGENCY ORDER**

In light of the foregoing, and in order to prevent or avoid danger to the public welfare, it is hereby ORDERED in accordance with Utah Code Ann. § 63-46b-20 that:

1. Respondents, together with their employees, agents, affiliates, assignees, successors, and associated entities, shall immediately CEASE AND DESIST from offering or selling investment interests in securities in this State, and from directly or indirectly aiding or assisting other individuals or entities from offering or selling investment interests in securities in this State.
2. Respondents, together with their employees, agents, affiliates, assignees, successors, and associated entities, shall immediately CEASE AND DESIST from any and all other or further violations of the Act.

Respondent are advised that, pursuant to the Utah Code Ann. §61-1-21, any violation of this Emergency Order is punishable as a third-degree felony.

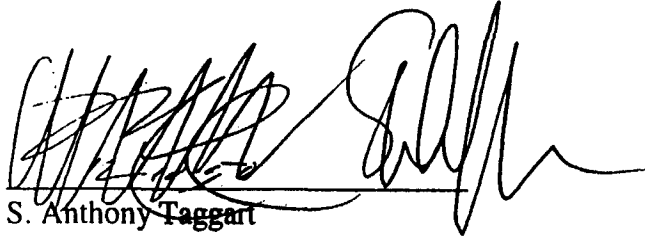
### **ORDER TO SHOW CAUSE**

The Director, pursuant to Utah Code Ann. § 61-1-20, hereby orders Respondents to appear at a formal hearing to be conducted in accordance with Utah Code Ann. § 63-46b-4 and 63-46b-5, and held before the Utah Division of Securities. The hearing will be conducted by Administrative Law Judge J. Steven Eklund, Department of Commerce, 160 East 300 South, Salt Lake City, Utah 84111, telephone (801) 530-6001. The hearing will be held on the date and time set forth in the Notice of Agency Action. The Division will be represented by Assistant Attorney General Don Hansen, 160 East 300 South #500, Salt Lake City, Utah 84114. Respondents may elect to be represented by counsel. If any Respondent fails to appear at the

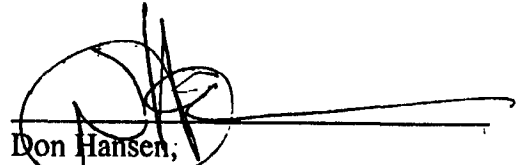
hearing, an order to cease and desist may be issued and a fine imposed by default against that Respondent, as provided by Utah Code Ann. § 63-46b-11. At the hearing, Respondents may show cause, if any they have:

1. Why Respondents should not be ordered permanently to cease and desist from engaging in any further conduct in violation of Utah Code Ann. §§61-1-1(2) and (3), 61-1-3(1) and (2), 61-1-7 or any other section of the Act;
2. Why Respondents should not be ordered to pay fines to the Division in amounts to be determined at the hearing.

DATED this 2<sup>nd</sup> day of March, 2000.

  
S. Anthony Taggart  
Director, Division of Securities  
Utah Department of Commerce

Approved for Filing:

  
Don Hansen,  
Assistant Attorney General

Division of Securities  
Utah Department of Commerce  
160 East 300 South  
P.O. Box 146760  
Salt Lake City, Utah 84114-6760  
Telephone: 801 530-6600  
Facsimile: 801 530-6980

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**BEFORE THE DIVISION OF SECURITIES  
OF THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH**

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**IN THE MATTER OF**

**Carson International, and;**

**Paul Stewart**

**Respondents.**

**NOTICE OF AGENCY ACTION**

**Docket #SD-00-0010**

**Docket #SD-00-0011**

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**THE DIVISION OF SECURITIES TO THE ABOVE-NAMED RESPONDENTS:**

The purpose of this Notice of Agency Action is to inform you that the Division hereby commences a formal adjudicative proceeding against you as of the date of mailing of the Emergency Order to Cease and Desist and Order to Show Cause. The authority and procedure by which this proceeding is commenced are provided by Utah Code Ann. §§ 63-46B-3 through -5, and Utah Code Ann. § 63-46b-20. The facts on which this action is based are set forth in the foregoing Emergency Order to Cease and Desist.

Within thirty (30) days of the date of this notice, you are required to file a written response with the Division. The response you file may be helpful in clarifying, refining or narrowing the facts and violations alleged in the Emergency Order to Cease and Desist and Order to Show Cause.

You must attend a hearing that will occur at **160 East 300 South, Room 2C, Salt Lake City, Utah; at 9:00 a.m.; on April 20, 2000.**

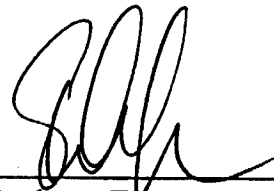
If you fail to file a written response, as set forth herein, or fail to appear at the hearing,

you will be held in default and a permanent order to Cease and Desist will enter consistent with the terms of the Emergency Order with no further notice to you, in accordance with Utah Code Ann. §63-46b-11.

The presiding officer in this case is S. Anthony Taggart, Director, Division of Securities, 160 East 300 South, Box 146760, Salt Lake City, Utah 84114-6760, telephone (801) 530-6600. The hearing, will be conducted by J. Steven Eklund, Administrative Law Judge, Utah Department of Commerce, 160 East 300 South, Box 146701, Salt Lake City, Utah 84114-6701, telephone (801) 530-6648. At such hearing, the Division will be represented by the Utah Attorney General's Office, Box 140872, 160 East 300 South, Salt Lake City, Utah, 84114, telephone (801) 366-0310. At the hearing, you may appear and be heard and present evidence on your behalf.

You may attempt to negotiate a settlement of the matter without proceeding to the hearing. Should you so desire, please contact the Utah Attorney General's Office. Questions regarding the Emergency Order to Cease and Desist, Order to Show Cause, and Notice of Agency Action may be directed Don Hansen, Assistant Attorney General, 160 East 300 South, Box 140872, Salt Lake City, Utah 84114-0872, telephone (801) 366-0310.

DATED this 7 day of March, 2000.



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S. Anthony Taggart  
Director, Division of Securities  
Utah Department of Commerce



CERTIFICATE OF SERVICE

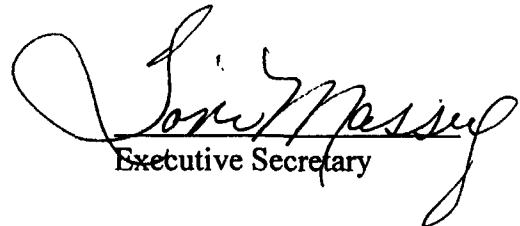
I certify that on the 7 day of March, 2000. I mailed, by certified mail, a true and correct copy of the Emergency Order to Cease and Desist, Order to Show Cause, and Notice of Agency Action to the following Respondents:

Paul Stewart, 723 Draper View Drive, Draper, UT 84020

Certified #: P149 300 522

Carson International, 723 Draper View Drive, Draper, UT 84020

Certified #: P149 300 523

  
Executive Secretary

**Carson International**

**Private Claim No.  
99-2037-IN-ADCAR2**

**CERTIFICATE OF SERVICE with DECLARATION**

**Pierce county**

**The State of The State of Washington**

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**SS.,**

**The united States of America AD 1791**

I the undersigned server, declare under the penalty of perjury, under to the laws of the People on the Land of the united States of America, hereby certify that a true and correct copy of the original

**NON-JUDICIAL PRIVATE INTERNATIONAL ADMINISTRATIVE REMEDY  
DEMAND; NOTICE OF TIMELY LAWFUL PROTEST And REFUSAL FOR CAUSE  
WITHOUT DISHONOR; NOTICE OF INTENT TO INITIATE A COLLATERAL  
ATTACK; NOTICE OF INTENT TO RESERVE THE RIGHT TO CLAIM BOND  
AND/OR SURETY with AFFIDAVIT IN VERIFICATION RE:  
EMERGENCY ORDER TO CEASE AND DESIST and ORDER TO SHOW CAUSE;  
NOTICE OF AGENCY ACTION**

**Carson International, Claimant,  
[7406 27th Street West #17  
The City of The City of Tacoma  
The State of The State of Washington  
The several united States of America]**

**Against,**

**THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE  
STATE OF UTAH, S. Anthony Taggart, Director, Division of Securities Utah Department of  
Commerce and Don Hansen, Assistant Attorney General Respondents.**

has been served on this 17<sup>th</sup> day of March 1999, to

**THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE OF THE STATE OF UTAH**

AT: Utah Department of Commerce; 160 East 300 South; P.O. Box 146760; Salt Lake City; Utah 84145-0808

via: **United States Postal Service** Certified Mail No. Z 727 222 837, postage prepaid, and,

**S. Anthony Taggart, Director, Division of Securities Utah Department of Commerce**

AT: Utah Department of Commerce; 160 East 300 South; P.O. Box 146760; Salt Lake City; Utah 84145-0808

via: **United States Postal Service** Certified Mail No. Z 727 222 838, postage prepaid, and,

**Don Hansen, Assistant Attorney General**

AT: Utah Department of Commerce; 160 East 300 South; P.O. Box 146760; Salt Lake City; Utah 84145-0808

via: **United States Postal Service** Certified Mail No. Z 727 222 839, postage prepaid.

I, Kathleen Hugo, declare under the penalty of perjury under the laws of the People of the United States of America AD 1791, that the forgoing is true and correct to the best of my knowledge, understanding and belief.

Kathleen Hugo  
Kathleen Hugo, Server